



## ***Pennsylvania Partnerships for Children Back-end referendum: An aggravating factor May 11, 2004***

When Pennsylvanians talk about education policies, one question should guide the discussion: Does it help kids? Clearly, Pennsylvania has a problem on its hands. Education funding is not distributed according to a formula that assures every child a good education. School districts must rely on a base of funding that can be very strong or very weak, depending largely on local wealth and with little regard to local need. That is not a recipe for uniformly good schooling and the potential success of every child. The current proposal for property tax reform and its implementation should be recognized for what it is: an effort to ease tax pressures on homeowners. It's not the answer for kids. Pennsylvania needs a new school funding formula that offers every child the opportunity for a good education.

Today, Pennsylvania Partnerships for Children joins Pennsylvanians statewide to say that a back-end referendum proposed in conjunction with property tax cuts would only make matters worse. It would tie the hands of elected school board members to make policy and raise funds for the benefit of children's education. And it would add another aggravating factor to the array of challenges school districts face in adopting effective programs and managing costs and circumstances often beyond their control.

- Many cost increases in recent years have been outside the control of school districts. These include rising costs for pension benefits, health insurance premiums, heating and transportation, special education programs for children with disabilities, cyber and charter schools, and the federal mandates of the No Child Left Behind Act.
- The state's history as a reliable funding partner has been spotty, as evidenced by its declining share of costs, from 55 percent in 1974-75 to 36 percent in 2001-02. If the funds for property tax reform come from gaming, then a new element of unreliability - the willingness or unwillingness of state residents and visitors to gamble - enters the picture. The alternative, a sales tax-based plan, would rely on a revenue source that fluctuates with swings in the economy. Either way, unreliable funding would simply tighten the restraints that a back-end referendum would impose on school districts to deliver an effective education.
- Just when Pennsylvania is poised to invest in early childhood education, the back-end referendum would limit program options that contribute to quality education. Unreliable funding would discourage school districts from investing their accountability block grant funds in non-mandated but effective programs such as prekindergarten, full-day kindergarten, or class-size reduction.

Some of the highest-spending districts in the state rely heavily on local taxes. If history is any guide, their citizens are the most likely to approve future referenda. Once again, those who have the resources would continue using them to enrich local education. Children in districts that don't have a wealth of resources would still get the short end of the stick.

Pennsylvania should be in the business of improving education for children with the greatest needs and least opportunities. The property tax reform and back-end referendum currently being considered do not put Pennsylvania in that business. Pennsylvanians should continue to support good schools as a legacy to be passed from one generation to the next. Clearly, that is the best thing we can do for kids. It is our duty. It should not become a gamble.

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Pennsylvania Partnerships for Children is a strong, effective, and trusted voice to improve the the health, education, and well-being of the Commonwealth's children.